

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF THE UNION LIGHT,)	CASE NO. 7268-AA
HEAT AND POWER COMPANY)	

O R D E R

On April 13, 1979, the Commission issued its Order in Case No. 7268, approving certain rates and providing under certain conditions for adjustment of such rates when the wholesale cost of gas is increased, decreased or a refund is received under the provisions of the gas cost adjustment set forth therein.

On October 19, 1981, the Union Light, Heat and Power Company ("Union") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective November 1, 1981.

The notice set out certain revisions in rates which Union proposed to place in effect, said rates being designed to decrease the cost of natural gas of its supplier in the amount of \$12,672.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

(1) Union's supplier, Transmission, has filed with the FERC for decreased rates to become effective November 1, 1981.

(2) This decrease reflects Transmission's rates as filed with FERC on October 1, 1981, and to be effective November 1, 1981.

(3) The Commission should allow Union to place into effect the rates in Appendix A as soon as Transmission's filing is "accepted" by FERC.

(4) Union's adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case No. 7268, dated April 13, 1979, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after the date the decreased cost of wholesale gas becomes effective.

IT IS THEREFORE ORDERED that the purchased gas adjustment contained in Appendix A of this Order be and hereby is approved, effective on and after the date the decrease in the cost of wholesale gas requested by Transmission is accepted by FERC.

IT IS FURTHER ORDERED that for the purpose of the future application of the gas cost adjustment clause of Union the average cost shall be:

	<u>Per Mcf</u>
Firm Sales	3.8252
Off-Peak	3.5637

IT IS FURTHER ORDERED that the information furnished this Commission by Union on October 19, 1981, constitutes full compliance with the Commission's Order in Case No. 7268, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date the decreased cost of wholesale gas becomes effective Union shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 5th day of November, 1981.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 7268-AA DATED NOVEMBER 5, 1981

The following rates are prescribed for the customers in the area served by the Union Light, Heat and Power Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the date of this Order.

RATE GS

<u>Net Monthly Bill</u>	<u>PGA ¢ per 100 cu. ft.*</u>	<u>Rate</u>
First 1,000 cubic feet at	15.73¢	60.28¢ per 100 cubic feet
Next 1,000 cubic feet at	15.73¢	47.70¢ per 100 cubic feet
Next 4,000 cubic feet at	15.73¢	44.78¢ per 100 cubic feet
Next 144,000 cubic feet at	15.73¢	43.80¢ per 100 cubic feet
Additional cubic feet at	15.73¢	43.14¢ per 100 cubic feet

Special Contract Gas Rates

<u>Off-Peak Rate</u>	<u>PGA</u>	<u>Rate</u>
All Consumption	17.39¢	40.69¢ per 100 cubic feet
<u>Firm Rate</u>		
All Consumption	15.73¢*	40.69¢ per 100 cubic feet

*Reflects firm refunding rate of 1.10¢
as approved in Case No. 7268-Q and 7.8¢
as pending in Case No. 7268-Y